

Maine Revised Statutes
Title 13-C: MAINE BUSINESS CORPORATION ACT
HEADING: PL 2001, c. 640, Pt. A, §2 (new); Pt. B, §7 (aff)

Chapter 6: SHARES AND DISTRIBUTIONS HEADING:
PL 2001, c. 640, Pt. A, §2 (new); Pt. B, §7 (aff)

§628. RESTRICTION ON TRANSFER OF SHARES AND OTHER SECURITIES

1. Share includes. For purposes of this section, "share" includes a security convertible into or carrying a right to subscribe for or acquire shares.

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

2. Imposition of restrictions. A corporation's articles of incorporation or bylaws, an agreement among shareholders or an agreement between shareholders and the corporation may impose restrictions on the transfer or registration of transfer of shares of the corporation. A restriction does not affect shares issued before the restriction was adopted unless the holders of the shares are parties to the restriction agreement or voted in favor of the restriction.

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

3. Existence of restriction must be made known. A restriction on the transfer or registration of transfer of shares is valid and enforceable against the holder or a transferee of the holder if the restriction is authorized by this section and its existence is noted conspicuously on the front or back of the certificate or is contained in the information statement required by section 627, subsection 2. Unless so noted, a restriction is not enforceable against a person who has no knowledge of the restriction.

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

4. Purpose of restriction. A restriction on the transfer or registration of transfer of shares is authorized:

A. To maintain the corporation's status when it is dependent on the number or identity of its shareholders; [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

B. To preserve exemptions under federal or state securities law; or [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

C. For any other reasonable purpose. [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

5. Authorized restrictions. A restriction on the transfer or registration of transfer of shares may:

A. Obligate the shareholder first to offer the corporation or other persons, separately, consecutively or simultaneously, an opportunity to acquire the restricted shares; [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

B. Obligate the corporation or other persons, separately, consecutively or simultaneously, to acquire the restricted shares; [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

C. Require the corporation, the holders of any class of its shares or another person to approve the transfer of the restricted shares if the requirement is not manifestly unreasonable; or [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

D. Prohibit the transfer of the restricted shares to designated persons or classes of persons if the prohibition is not manifestly unreasonable. [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

SECTION HISTORY

2001, c. 640, §A2 (NEW). 2001, c. 640, §B7 (AFF).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 126th Maine Legislature and is current through August 1, 2014. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.
--